

■ Geisinger ■ Kaiser Permanente ■ Intermountain Healthcare ■ Mercy ■ Mayo Clinic ■

Healthcare Transformation Group

Share ■ Drive ■ Transform
Supply Chain Management

HTG Solution Provider Summit 2012

December 13th – 14th in St. Louis,
MO

Anti-Trust and Code of Conduct

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HTG follows all US laws relating to antitrust and competition and there shall be no conduct that could artificially increase price, reduce output, or result in any type of boycott. If anyone believes the discussions are approaching antitrust boundaries, please say so and the discussion will be halted while a HTG participant checks with legal counsel before proceeding.

You are also reminded that the Code of Conduct requires we respect one another's differences in opinion, act professionally and engage to work together for the common good of the community.

Anti-Trust and Code of Conduct

This means:

- Participation must be voluntary, and failure to participate shall not be used to penalize any company.
- There shall be no discussion of prices, allocation of customers or products, boycotts, refusals to deal, or market share.
- If any participant believes the group is drifting toward impermissible discussion, the topic shall be tabled until the opinion of counsel can be obtained.
- Meetings shall be governed by an agenda prepared in advance, and recorded by minutes prepared promptly after the meeting. Agendas, where appropriate, and minutes are to be reviewed by counsel before they are circulated.
- Tests or data collection shall be governed by protocols developed in consultation with and monitored by counsel.
- The recommendations coming out of a HTG committee, task force, work group or task group are just that. Individual companies remain free to make independent, competitive decisions.
- Any standards developed must be voluntary standards.

Agenda

Summit Agenda

HTG Statistics



The HTG is a coalition composed of the following:

- 5 Integrated Delivery Networks (IDN's)
 - Geisinger Health System
 - Mayo Clinic
 - Intermountain Healthcare
 - Mercy Health
 - Kaiser Permanente
- Over \$50B in combined operating revenue
- Over 100 hospitals
- Over 300K employees
- Over 18K licensed beds
- Over 800K surgical procedures per year

HTG Goals



- Significantly improve patient safety and quality by enabling improved tracking of product throughout the healthcare supply chain.
- Dramatically reduce the cost of healthcare delivery by driving down the total delivered cost of supplies and moving to evidence-based, outcomes-oriented decision-making in partnership with our clinical partners.
- Promote the wide-scale adoption of HTG initiatives throughout the industry at large.

Attendees

sciQuest

KAISER PERMANENTE

SYNTHES

GEISINGER

Epic

BD

Mercy

Medius

Medtronic

GHX
Connected. Intelligent. Healthcare.

infor

OM Owens & Minor

Omnicell

ROI

THE BEST-RUN BUSINESSES RUN SAP
SAP

Intermountain
Healthcare

Gartner

DePuy Synthes
People inspired
COMPANIES OF Johnson & Johnson

TECSYS
Your Supply Chain Matters

ORACLE

- Providers, Manufacturers, Software Solution Providers, Industry Experts, are all represented at this meeting
- The years of experience and knowledge gathered here is staggering – “Some of the best and brightest in our industry”

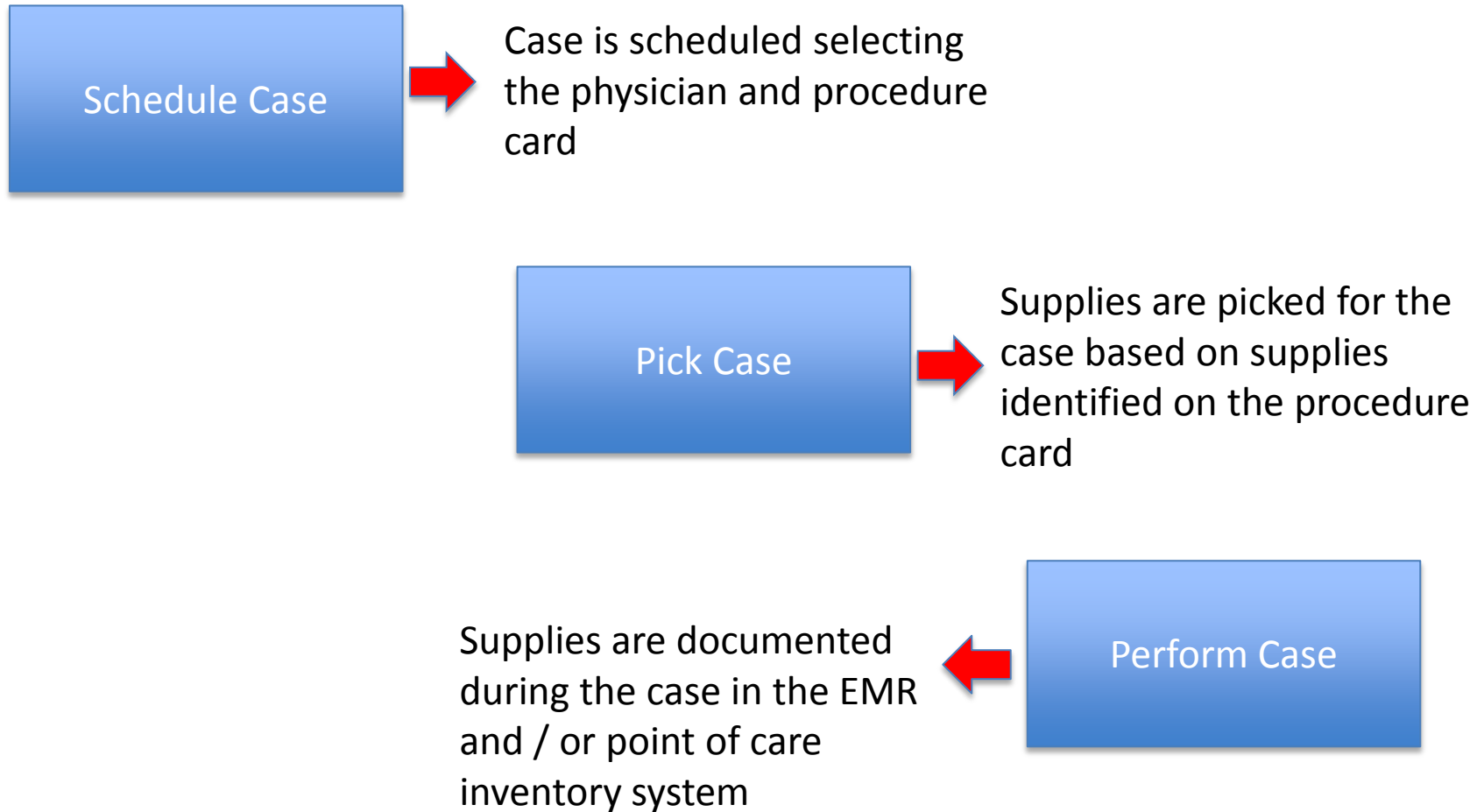
Meeting Objectives

- Produce a set of requirements that will provide the guidelines for how point of consumption supply tracking will work “Workflow”
- Produce as set of requirements that will provide the guidelines for how information will flow from the manufacturer to the provider “Information Flow”
- Form relationships and establish collaboration among industry professionals

Meeting Format

- Designed and intended for collaboration and discussion
- All participants should engage and ask questions
- Take advantage of the expertise represented in the group
- Make connections and collaborate after the meeting
- The meeting will be recorded and all information made available to all participants
- Expect disagreement and different perspectives
- Challenge the norm and “The way it’s always been”

Core Process



Why is it important?

- O.R. cost continue to rise at an alarming rate and are not sustainable
- Expected decline in reimbursement rates
- Expect reimbursement will be tied to outcomes
- O.R. cost are one of the largest non-labor cost for an IDN
- Patient Safety - Recall's continue to increase, we need to know what is used on a patient
- Effective use of labor – Predictive and Proactive supply management can improve productivity

Q&A



Industry Perspectives



Karen Conway

Workflow Requirements

Gartner.

Eric O'Daffer

Key Assumptions

1. We will capture clinical documentation electronically.
2. We will document all medical surgical supplies and implants utilized during a surgical procedure at the manufacturer catalog and patient level unit of consumption (UOM).

Exceptions may apply to incidental supplies like bed pans, band-aids, and other low cost medical supplies that are simply not practical or worth the effort to track specifically to a patient. This will be determined by each organization

3. We will manage inventory quantities where product is stored. i.e. O.R. Suite, O.R. Cart, O.R. Closet, Main Inventory, etc... , where systematically possible and economically feasible.
4. We will leverage barcode and other automated product identifications systems where possible and economically feasible.
5. Barcode readers will provide the ability to discern / automatically identify and parse out the product identifier, lot and or serial, and expiration date

Key Assumptions

6. We recognize that current systems utilized by HTG members have the following challenges:
 - A. Clinical documentation systems do not provide robust inventory management / procurement capabilities that meet the needs of supply chain professionals
 - B. Inventory / Procurement systems do not provide adequate clinical documentation capabilities that meet the needs of the clinician.

7. Significant financial benefit can be achieved by the following:
 - A. Implementing automated inventory replenishment systems (labor cost reduction)
 - B. Capturing inventory value at each storage location and managing inventory levels appropriate with demand (right size inventory)
 - C. Automating the clinical documentation process (labor cost reduction)
 - D. Enabling cost per case capture and analysis (Product Consolidation / Standardization, Reduce / Eliminate unnecessary practice variation)

Key Assumptions

8. Providing the ability to, or laying the foundation for, secure track and trace and recall management is a primary goal.
9. Supporting the use of the GS1 standards is a core requirement, specifically the use of the GTIN for product identification.

Review Questions

1. Which of the following is the preferred method of capturing supply / implant information during a surgical procedure that meets both clinical documentation requirements and supply management requirements?
 - A. EMR should provide the ability to capture all information required to meet both clinical and supply documentation needs (Clinicians use one system)
 - B. EMR should be used to capture clinical documentation and a point of care systems should be used to capture supply documentation (Clinicians use two systems)
2. Is the use of a barcode the most practical means to automatically capture product information?
 - Yes
 - No

Review Questions

3. Should supply or product information be captured by the clinician or after the fact by a supply chain person? In other words which is the most efficient, accurate, and best for patient care?
 - A. Clinician
 - B. Supply Chain Person
 - C. Combination of both

4. Why is it important to track product consumption at the point of care?
 - A. Improves Patient Care by specifically identifying the product used on a patient
 - B. Helps capture patient charges (Revenue)
 - C. Helps manage inventory reducing supply and labor cost
 - D. All of the above

Review Questions

5. Is it important for the EMR to contain all the supplies and implants used on a patient?

Yes

No

6. If it is important for the EMR to contain all the supplies and implants used on a patient then how quickly does that information need to appear in the EMR?

- A. Real time within seconds
- B. Within 1 minute
- C. Within 5 minutes
- D. Before the case is completed

7. Is the procedure card or preference list the best method of identifying products required for a surgical procedure?

Yes

No

Review Questions

8. Is documenting products by exception the best method of capturing product usage in the O.R.
- Yes
No
9. How important is an accurate procedure card or preference list to efficient supply documentation.
- A. Very important
B. Somewhat important
C. Not very important
D. Doesn't really matter
10. If using a supply system to track implant usage to a patient instead of the EMR which is the best process for documenting patient centric clinical information?
- A. The supply system should pass the clinical information to the EMR implant record
B. The supply system should only pass the product information and the clinical system should be used to complete and document the clinical information
C. A supply system should not be used to track implants

Review Questions

11. Does point of use consumption data (Doctor, Procedure, supply / implant specific detail) have financial value to Manufacturers, Industry Data services, Etc...
- Yes
 - No
12. If supply vendors have real time or near real time access to inventory, product usage, and upcoming demand of product, what advantages will be gained:
- A. Reduction of inventory levels
 - B. Lower SG&A cost (Sales, General Administrative)
 - C. Improved invoice accuracy and general record keeping
 - D. All the above
13. How important is it to solve the efficient supply / implant point of use tracking problem in the O.R.?
- A. The most important thing I'm working on
 - B. A top 5 issue
 - C. A top 10 issue
 - D. Not a priority

Polling of Participants



Key Assumptions - Information

1. Product information originates with the Manufacturer.
2. Product Name, Product ID, Product Cost, Product Lot and / or Serial, and Product Expiration Date are common data elements used by providers and manufacturers.
3. The product name assigned by the manufacturer is not always acceptable to the provider.
4. Additional product attributes such as clinical attributes, contains potentially allergic material, and product category or classification is valuable and operational important to both providers and manufacturers.
5. Both providers and manufacturers spend significant effort and labor to manage product information.

Key Assumptions - Information

6. Easy access to product specifications, pictures, and product instructions is beneficial to clinicians.
7. Both providers and manufacturers desire to improve the flow of information.

Review Questions - Information

1. Do you believe that the exchange of product information between providers and manufacturers is more difficult than it should be?

Yes

No

2. Should the provider item master contain all items utilized by the provider prior to actual use on a patient?

Yes

No

3. Should an industry item master exist that facilitates the exchange of product information between providers and manufacturers?

Yes

No

Review Questions - Information

4. Does the use of EDI effectively facilitate the exchange of product information?

Yes

No

5. Is it possible or feasible for Manufacturer systems to exchange product information directly with Provider system?

Yes

No

6. How accurate is provider managed product information?

A. Greater than 90%

B. Greater than 80%

C. Greater than 70%

D. Less than 70%

Review Questions - Information

7. How accurate is manufacturer managed product information?

- A. Greater than 90%
- B. Greater than 80%
- C. Greater than 70%
- D. Less than 70%

8. Who owns the responsibility to manage product information

- A. Provider
- B. Manufacturer
- C. Both

9. Inaccurate product information can have a direct impact on quality of care provided to patients?

- Yes
- No

Review Questions - Information

10. Non-Catalog or Non-File items utilized by providers documented in the EMR at the point of care has the highest degree of inaccuracy?

Yes

No

Polling of Participants



Q&A



Wrap Up



Michael Innes

GEISINGER

Kevin Capatch